

Wednesday, May 28, 1947

HIGHLIGHTS

Senate passed income-tax reduction bill; House passed Agriculture appropriation bill for 1948.

Hearings concluded on information for business assistance and stream pollution bills.

Conferees on labor bill near completion on agreement.

Senate

Chamber Action

Routine Proceedings, pages 5915-5918

Bills Introduced: Six bills and two resolutions were introduced, as follows: S. 1356-S. 1361; and S. Res. 118-119. Pages 5917, 5918, 5926-5927

Bills Reported: Bills and resolutions were reported, as follows:

S. J. Res. 117, providing for United States acceptance of amendment to the International Labor Organization constitution (S. Rept. 208);

H. R. 1412, to grant American Legion Post, No. 38, in Belzoni, Miss., reversionary interest in certain lands (S. Rept. 209);

Minority views on Treasury-Post Office appropriations bill (pt. II of S. Rept. 201); and

Report from the Joint Committee on the Reduction of Nonessential Expenditures (no report number). Pages 5916-5917

Tax Bill: Senate passed H. R. 1, reduction of personal income taxes, 52 years to 34 years, after defeating all amendments as indicated below, and approving the bill in the form reported by the committee except for one technical amendment.

The McClellan amendment, recognizing family partnerships for income-tax purposes, was defeated 24 yeas to 54 nays. Second amendment by Senator McClellan to raise the personal exemption to \$750 for individuals and \$1,500 for married couples was defeated 27 yeas to 44 nays.

Senator McCarran's amendment permitting taxpayers to deduct 50 percent of their net income, or \$125,000, whichever is the lesser, for capital expenditures, was defeated 16 yeas to 60 nays.

Amendment of Senator Lucas in the nature of a substitute increasing the personal exemption to \$600 and the married-couple exemption to \$1,200, making various changes in the surtax rates and providing that the measure should become effective January 1, 1948, was defeated 28 yeas to 58 nays.

An amendment by Senator Fulbright to extend the benefits of community-property law, for income-tax

purposes, to the State of Arkansas, was defeated by voice vote.

Senator Pepper's amendment, making deductible the expenses of teachers incurred in pursuing a course of learning required by their profession, was defeated 37 yeas to 47 nays.

Conference was asked of the House and the following conferees appointed: Senators Millikin, Taft, Butler, George, and Barkley. Pages 5918-5950

Report Extension: Senate passed S. Res. 118, extending to June 15 the time for the Public Lands Committee to report in connection with S. Res. 315 of the 79th Congress regarding payments to local governments in lieu of taxes. Page 5918

Rent Control: S. 1017, continuation of rent control, was made the unfinished business. Page 5950

Lovett Nomination: Appointment of Robert A. Lovett, as Under Secretary of State, was confirmed. Page 5950

Reports on Committee Meetings

FERTILIZER

Committee on Agriculture and Forestry: The following witnesses testified in favor of S. 1251, national soil fertility policy and program: John W. Sims, Ohio Farm Bureau Cooperative Association; Richard Stephens, Iowa Farm Bureau Federation; Thomas J. Hitch, Tennessee Farm Bureau Federation; Ray Sorensen, Iowa Plant Food Co.; N. J. Volk, Purdue University Agricultural Experiment Station; H. A. Praeger, Kansas State Farm Bureau; H. E. Slusher, Missouri Farm Bureau Federation; Arnold Klemme, University of Missouri; Mrs. Roy C. F. Weagly, Associated Women of the American Farm Bureau Federation; P. O. Davis, Alabama Polytechnic Institute; and H. L. Wingate, Georgia Farm Bureau.

NATIONAL DEFENSE ESTABLISHMENT

Committee on Armed Services: In executive session on S. 758, to create a National Defense Establishment, the committee tentatively agreed to transpose the positions

of titles I and II and to section 201, amended, providing for the establishment of the National Security Establishment. Committee continues tomorrow.

INTERIOR APPROPRIATION

Committee on Appropriations: Continued hearings on H. R. 3123, Interior Department appropriation bill, and heard testimony from the following witnesses: Senators Hatch, Chavez, Pepper, Ecton, Bushfield, and Holland; Representatives Stigler, Albert, Mundt, and Horan; and representatives of the National Park Service.

TEACHERS' PAY BILL

Committee on the District of Columbia: Committee unanimously approved S. 1346, D. C. teachers' pay bill.

INFORMATION FOR BUSINESS ASSISTANCE

Committee on Expenditures in the Executive Departments: Committee concluded hearings on S. 493, Technical Information and Services Act, after receiving testimony in general support of the measure by Dr. Vannevar Bush, Director, Office of Scientific Research and Development; and P. J. Fedrico, testifying in behalf of Commissioner of Patents Casper W. Ooms. Dr. Bush expressed sympathy with the broad objectives, feeling that affirmative aid to small business should be centered in the Department of Commerce but that the proposal does not strike the heart of the problem which is to maintain an environment in which small business can thrive. Mr. Ooms felt the bill would fill a real need in our present complex industrial society.

ST. LAWRENCE WATERWAY

Committee on Foreign Relations: Subcommittee on S. J. Res. 111, St. Lawrence Waterway, opened hearings with testimony from the following proponents: Secretary of State Marshall; former President Herbert Hoover; FPC Chairman Olds; F. L. Wilby, chairman, N. Y. Power Authority; H. C. Brockel, Milwaukee Port Director; Frank C. Barnes, Michigan-Great Lakes Tidewater Association; Julius Barnes, Duluth, Minn.; J. T. Sanders, National Grange; Mark McKee; W. C. Cowling, Detroit, Mich.; and Daniel W. Hoan, Great Lakes Harbor Association.

INTERNATIONAL AIR CARRIERS

Committee on Interstate and Foreign Commerce: Subcommittee on Aviation heard testimony in opposition to S. 987, to consolidate the American flag international air lines, from T. E. Braniff, president, Braniff Airways, and John Slater, chairman of the board, American Overseas Airlines.

RAILROAD FINANCING

Committee on Interstate and Foreign Commerce: Subcommittee on S. 249, railroad financing bill, heard testimony from the following witnesses: R. J. Fletcher,

Boston & Maine Railroad; T. M. Cunningham, counsel, Georgia Central; M. P. Calloway, trustee, Georgia Central; W. C. Cocke, trustee, Seaboard Railroad; A. J. Wells, G. T. Carmichael, and J. L. Loomis, New Haven Railroad. Hearings continue tomorrow.

EXPORT CONTROL

Committee on the Judiciary: Subcommittee received testimony generally in support of continuing export control by Martin Smith, Flour Millers' Export Association; W. D. Fox, National Grain Council; Miles H. Knowles, representing dairy interests; and Willem C. Schilthuis, vice president of the North American Export Grain Association.

CONGRESSIONAL PRIMARY INVESTIGATION

Committee on the Judiciary: Subcommittee heard Senator Kem (author of resolution) and Attorney General Clark discuss S. Res. 116, to authorize investigation concerning the failure of the Department of Justice "to act with respect to alleged irregularities in the Democratic primary election held in the Fifth Congressional District of Missouri on August 6, 1946."

HEALTH LEGISLATION

Committee on Labor and Public Welfare: Subcommittee on Health heard the following witnesses testify in favor of S. 545, to create an independent National Health Agency: John H. Hayes, American Hospital Association; Father Alphonse Schwitalla, Catholic Hospital Association; Rev. John G. Martin, Protestant Hospital Association; and L. H. Schriver, M. D., president, Ohio State Medical Society. Hearings continue tomorrow.

RECLAMATION PROJECTS

Committee on Public Lands: Subcommittee on Irrigation and Reclamation heard Representative Elliott, of California, and Boyd Stewart, State department of agriculture, Olema, Calif., testify in support of S. 912, to exempt certain lands in Colorado, California, and Texas from land-limitation provisions of Federal reclamation laws. Committee meets again Monday.

STREAM POLLUTION

Committee on Public Works: Subcommittee on Rivers and Harbors concluded public hearings on S. 418, to provide for stream pollution control, after receiving testimony in support of the measure from Senator Barkley and Assistant Surgeon General J. K. Hoskins, Public Health Service.

SMALL BUSINESS—STEEL

Special Committee to Study Problems of American Small Business: Continuing hearings on steel shortages affecting smaller manufacturers and users, the Steel Subcommittee heard the following witnesses discuss the purchases and sales of steel and gray-market opera-

tions: William Holmquist, vice president, and R. S. Clingan, sales manager, Copperweld Steel Co., Glassport, Pa.; Ed Ray, International Mill Products Co., Chicago; James Boyle, United Nations Trading Co.,

Brooklyn; George M. Pennington, Harrisburg, Pa.; Gerald Firth, Firth-Sterling Steel Co., McKeesport, Pa.; A. R. Zapp, McKeesport, Pa.; and two handwriting experts, Fred M. Miller, FBI, and Maurice A. Nernberg.

House of Representatives

Chamber Action

Bills Introduced: Seventeen public bills, H. R. 3645-3661; six private bills, H. R. 3662-3667; and one resolution, H. J. Res. 210, were introduced.

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Bills Reported: Bills and a report were reported, as follows:

Supplemental Report, part II, to H. R. 673 (H. Rept. 333), repealing certain provisions authorizing the establishing of priorities in transportation by merchant vessels;

H. R. 3251, amending act of July 24, 1941 (55 Stat. 603), to authorize Naval retiring boards to consider cases of certain officers (H. Rept. 477);

H. R. 3149, permitting racially inadmissible spouses of citizen members of the U. S. armed forces, if otherwise admissible, to enter the United States under Public Law 271 (H. Rept. 478);

H. R. 3398, extending validity period of the act to facilitate the admission into the United States of alien fiancées or fiancés of members of the U. S. armed forces (H. Rept. 479);

H. R. 3629, transferring surplus property from War and Navy Departments to Panama Canal (H. Rept. 480);

H. R. 3072, authorizing preparation of preliminary plans and cost estimates for erection of addition to, and remodeling fifth floor of, Old House Office Building (H. Rept. 481);

H. R. 2314, amending the acts pertaining to lump-sum payments of deceased aviation officers (H. Rept. 482); and

H. R. 1845, amending section 371, title 10, U. S. Code, relating to military leave for Federal employees (H. Rept. 483).

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Agriculture Appropriations: In a 10½-hour session the House completed consideration of H. R. 3601, the sixth regular departmental appropriation bill in this session, granting more than \$840,000,000 to the Department of Agriculture for the fiscal year ending June 30, 1948.

By a vote of 174 yeas to 180 nays it rejected a motion to recommit the measure to increase the appropriations

by \$189,385,710, and then passed the bill by a vote of 315 yeas to 38 nays, and sent it to the Senate.

Pages 5953-6032

Tax Bill: Disagreed to Senate amendments to H. R. 1, reduction of personal income taxes, agreed to conference asked, and the Speaker appointed Representatives Knutson, Reed of New York, Woodruff, Dough-ton, and Cooper, as managers on the part of the House.

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Reports on Committee Meetings

FEDERAL AID TO EDUCATION

Committee on Education and Labor: Continued hearings on various bills pertaining to Federal aid to education, and heard Irvin Kuenzli, executive secretary-treasurer, AFL teachers' organization; Selma Borchardt, national legislative representative of AFL teachers' organization; and Eugene F. Taggart, national liaison officer, Catholic War Veterans, all of whom testified in favor of the legislation. Hearings will continue tomorrow.

PUBLICITY AND PROPAGANDA

Committee on Expenditures in the Executive Departments: Publicity and Propaganda Subcommittee held hearings on Federal Government's \$75,000,000 annual expenditures for publicity and propaganda, and heard Dr. Mayhew Derryberry, chief, Office of Health Education, U. S. Public Health Service; Medical Director Herman E. Hilleboe, assistant chief, Bureau of State Services, U. S. Public Health Service; and Kenneth Pohlman, Health Services Division, Farmers Home Administration, U. S. Department of Agriculture.

NATURAL GAS ACT

Committee on Interstate and Foreign Commerce: Resumed hearings on bills to amend the Natural Gas Act and heard Representative Schwabe; David T. Searls, Texas Eastern Transmission Corp., Houston, Tex.; J. J. Hedrick, Natural Gas Pipe Line Co. of America, Chicago, Ill.; F. L. Daily, attorney, Chicago District Pipe Line Co., Chicago, Ill.; Jerome Joffee, chairman, committee on electric and gas rates, National Institute of Municipal Law Officers, Washington, D. C.; and David

M. Proctor, city counselor, Kansas City, Mo. Hearings will continue tomorrow.

CLAIMS

Committee on the Judiciary: Subcommittee on Claims considered and agreed to report favorably eight private claims bills.

CENSUS

Committee on Post Office and Civil Service: Concluded hearings on H. R. 1821, business and manufactures census, and heard Ewan Clague, Commissioner, and Mrs. Aryness Wickens, Bureau of Labor Statistics; Dr. Oscar C. Stine, Assistant Chief, and R. O. Been, Department of Agriculture; H. S. Fairbank, Public Roads Administration; and Walter M. W. Splawn, Interstate Commerce Commission.

GUAM

Committee on Public Lands: Subcommittee on Territorial and Insular Possessions on bills relating to civil government for Guam, and heard Hon. Julius A. Krug, Secretary of the Interior, and John L. Sullivan, Under Secretary of the Navy, who jointly testified in favor of enactment of Organic Act for Guam; Representative Bradley of California, former Governor of Guam, who testified in support of his bill, H. R. 3563; Ex-Governor Maurice J. Tobin, of Massachusetts, a member of the Hopkins Commission; Richard H. Wels, of New York, N. Y., who recommended passage of either H. R. 2753 or H. R. 3044; and Dr. Laura Thompson, of the American Civil Liberties Union, who testified in favor of H. R. 2753.

RULES

Committee on Rules: Heard Representative Wolcott, chairman, Committee on Banking and Currency, in favor of rules making in order consideration of H. R. 3492, to provide for the expeditious disposition of certain war housing; S. 993, to provide for the reincorporation of the Export-Import Bank of Washington; H. R. 2798, to amend section 5 of the Home Owners' Loan Act of 1933; and H. R. 2799, to amend Federal Home Loan Bank Act. Resolutions providing for 1 hour of debate on H. R. 2799, H. R. 2798, and S. 993, and a resolution providing for 2 hours of debate on H. R. 3492, were ordered reported. The committee also heard Representative Mundt in favor of a rule providing for consideration of H. R. 3342, U. S. Information and Educational Exchange Act of 1947. A resolution providing for 2 hours of debate was ordered reported.

UN-AMERICAN

Committee on Un-American Activities: The committee in executive session adopted the report on the Holly-

wood investigation and then unanimously adopted the proposal of Representative Bonner that a subcommittee be appointed to investigate local 22 of the Food, Tobacco, and Agricultural Workers of the CIO, of Winston-Salem, N. C.

TAX REVISION

Committee on Ways and Means: Continued hearings on tax revision and heard Robert Ramspeck, Air Transport Association, Washington, D. C.; J. L. Newbold, American Retail Coal Association, Washington, D. C.; Frederick G. Hamley, representing the California Public Utilities Commissioners, San Francisco, Calif., who testified on the need for revision of excise tax applying to transportation of persons and property; and Joseph Clark Baldwin, New York, N. Y., who testified on the need for revision of the excise tax on vending machines. Hearings will continue tomorrow, with special reference to excise taxes on admissions.

PAPER

Select Committee on Newsprint and Paper Supply: Continued hearings on paper shortage and heard R. E. McArdle, Assistant Chief, United States Forest Service, in charge of State and private forestry, accompanied by Ray Wirka, Division of Forest Products; H. R. Josephson, Assistant Chief, Division of Forest Economics; and C. M. Granger, Assistant Chief, United States Forest Service. Mr. McArdle appraised the possibilities of increased production of newsprint from the standpoint of domestic timber supply, with particular reference to the southern pine region.

REPORT ON JOINT COMMITTEE MEETINGS

LABOR BILL

Conferees on H. R. 3020, labor bill, reached further agreement on particular sections of the bill and will meet again tomorrow to study a new print of the proposal.

The provision on injunctions by employers, contained in the House bill, was removed together with the ban on industry-wide bargaining. The health and welfare fund provisions follow substantially those of the Senate bill and will apply to all those in effect on January 1, 1946. Agreement was reached for a Federal Mediation Service. Unions, in filing information with the NLRB for recognition, must attach affidavits that officers are not Communists.

The conference report is expected to be filed over the week end. (For previous reports on the meeting of the conference, see Digest, pp. D188, 192, 197, 201, and 205.)